

STATE OF INDIANA
7.0 INDIVIDUAL RATE REQUIREMENTS
ALL INCREASES/DECREASES
(Including Medicare Supplement and Long Term Care- Individual and Group)
Except Credit

FILINGS MUST BE SUBMITTED BY SERFF

FILING AT A GLANCE- Implementation Date Requested- Provide the first date of implementation. If this date changes during the review of the filing the company should update this field before the filing is completed and closed by the Department. This field can be revised during a “Post Submission Update” at the time of a “Response to Objection”. WE NEED AN ACTUAL DATE- WE CAN NOT ACCEPT “UPON APPROVAL”.

RATE DATA PAGE- PLEASE COMPLETE THE COMPANY RATE DATA PAGE-
ALL AREAS SHOULD BE STATE SPECIFIC- All rating information should be attached to the Rate Data Page (do not attach the Actuarial Memorandum or Rate Schedule to the Supporting Documentation Page). Important areas of the Rate Data Page are:

Overall Percentage of Last Rate Revision- Enter the statewide average of the last rate revision for this product.

Effective Date of Last Rate Revision- Enter the date of the last rate revision of this product in this state.

Overall % Indicated Change- Enter the statewide average premium change for the product indicated by the company’s actuary to achieve the required minimum loss ratio.

Overall % Rate Impact- Enter the statewide average percentage premium change requested.

Written Premium Change for this Program- Enter the statewide annual change in written premium based on the proposed overall percentage rate impact for the product.

of Policy Holders Affected for this program- Enter the statewide number of (1) policyholders (individual) or (2) enrollees (in the case of employer/employee group) affected by the overall percentage rate impact.

Written Premium for this Program- Enter the statewide annual written premium for the product.

Maximum % Change- Enter the maximum % change experienced by an individual policyholder within the program due to the filed rate revision.

Minimum % Change- Enter the minimum % change experienced by an individual policyholder within the program due to the filed rate revision.

Affected Form Numbers- Enter the list of the affected form numbers.

ACTUARIAL MEMORANDUM- Additional information we need to collect, that is not available in a current SERFF field, should be provided in the Actuarial Memorandum. The Actuarial Memorandum should be attached to the Rate/Rule Tab. See Below

The Actuarial Memorandum should include at a minimum,

- sufficient detail on the benefit structure to allow analysis of the pricing
- as complete a set of rates as is possible, including all items that impact what the insured pays, including but not limited to fees, the geographic area factor if relevant, future increases (such as trend), etc.
- the anticipated lifetime loss ratio, calculated using realistic assumptions
- a detailed description of the basis for the morbidity assumptions used in the pricing
- a detailed description of the premium rate guarantee provision
- description of the rate structure as attained age, issue age, or community rated.

If the filing is for a rate change, or to prove that a rate change is not necessary, the memorandum should ALSO include, at a minimum

- earned premiums and incurred claims separately for each calendar year since the date of inception (and for as much of the year since the last calendar year end as possible), regardless of whether the filing company owned the business at the date of inception. This data should be provided for both national and Indiana experience. It should include modal loadings in the premiums and exclude active life reserves. It should disclose the claims incurred but unpaid included in the experience, and the “paid through” date of the experience used to generate the data.
- a three year rate increase history, showing each rate increase as a percentage with its month/year effective date. This should be shown separately for the national experience and for Indiana only.
- projections by year into the future to accompany this historical experience. It should show a lifetime loss ratio, separately for each of the national and the Indiana business.
- the rate change requested, if any.

Please clearly label the following information.

Loss Ratio (without increase) - Provide the statewide lifetime (except for group, in which case, use the best estimate of the next year) loss ratio for the product, without active life reserves and without LAE. Present the loss ratio without the requested rate increase.

Loss Ratio (with increase) - Provide the statewide lifetime (except for group, in which case, use the best estimate of the next year) loss ratio for the product, without active life reserves and without LAE. Present the loss ratio with the requested rate increase.

Annual Overall Trend Rate- Provide the annual, per individual, rate of cost increase assumed for the next year.

Three Year Rate Increase History- Provide the three year rate increase history. Provide separately for Indiana and for the nation. Please show each rate increase as a percentage with its average month year effective date.

If you believe that certain of these items are not necessary, please feel free to offer an explanation for that position.